

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 28, 2000

APPLICATION OF

VIRGINIA ELECTRIC AND POWER COMPANY

CASE NO. PUE990717

To revise its fuel factor
pursuant to Va. Code § 56-249.6

ORDER INVITING COMMENTS

On August 29, 2000, the Staff of the State Corporation Commission ("Staff") filed a Staff Report on Fuel Accounting for Sales Displaced in Retail Access Pilot ("Staff Report") in the captioned matter. This Staff Report details recommendations concerning a method of identifying and segregating off-system sales that result from the departure of retail customers from Virginia Electric and Power Company ("the Company") who choose an alternative generation supplier in the Company's pilot program, as well as a recommendation for quantifying the margins associated with such sales ("displaced pilot sales"). According to the Commission's March 28, 2000, Final Order, energy margins associated with these displaced pilot sales are not to be credited against fuel factor expenses.

In the Staff Report the Staff describes and recommends the use of a pro rata regime to segregate displaced pilot sales, using as a starting point the hourly MWH volume of load

estimated to be served by each competitive service provider in the Company's pilot program. After all calculations are made, the Staff's method purports to assign displaced pilot sales margins based on average profitability according to the hour in which such sales were made.

NOW UPON CONSIDERATION of this matter, we are of the opinion and find that we should allow the Company and other interested persons an opportunity to comment on the findings and recommendations contained in the Staff Report.

Accordingly, IT IS ORDERED THAT:

(1) On or before October 10, 2000, the Company and any interested person may file comments on the Staff's August 29, 2000, Staff Report on Fuel Accounting for Sales Displaced in Retail Access Pilot.

(2) This matter is continued generally.